

**Town of Milton
Town Council Meeting
Milton Library, 121 Union Street
Thursday, September 29, 2011
6:30 p.m.**

**Transcriptionist: Helene Rodgville
[Minutes are Not Verbatim]**

1. Call to Order – Mayor Newlands called the meeting to order at 6:30 p.m.
2. Moment of Silence – Councilwoman Betts
3. Pledge of Allegiance to the Flag
4. Roll Call – Mayor Newlands

Councilman Lester	Present
Councilwoman Jones	Present
Councilwoman Hudson	Present
Councilman West	Present
Councilwoman Betts	Present
Mayor Newlands	Present
Councilwoman Duby	Absent
5. Additions or Corrections to the Agenda
Mayor Newlands: Do we have any additions or corrections to the Agenda?
6. Agenda Approval
Mayor Newlands: Do we have a motion to accept the Agenda?
Councilman West: I'll make a motion to approve the Agenda.
Councilman Lester: Second.
Mayor Newlands: We have a motion and a second to approve the agenda. All in favor say aye.
Opposed. Motion carried.
7. Approve Town of Milton fiscal year 2011-2012 Budget
Mayor Newlands: From the last meeting, I forget the amount we're in for a deficit; we're now down to only \$33,000 and change and the changes to the budget from last week to this week are as follows: I incorporated the property tax increase so that's about \$132,000 as extra income; we took 20% of the Town Manager's salary and benefits and moved that to Water so that was \$15,000; we removed the Town Clerk's salary and benefits, about \$62,000; I added \$30,000 in transfer tax because I know of a deal that is going to go down and we're going to gain about \$30,000 in transfer tax from that. There's a negotiation going on right now and they're very close. I spoke to the buyer about two months ago, I think it was and I spoke to the Realtor yesterday to confirm that they were in negotiations. There was \$10,000 I took out for an admin person for their benefits, because they take their spouses benefit. I didn't realize that. I reconfirmed all of the benefits with the employees yesterday. Between Streets and Parks I added back in \$8,000; I took it out of Water for the salaries, because I got a more actual number because the budget year ended and I was able to get the last bit of salaries in from that; so I just

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moved that from Water into Streets and Parks and that actually balanced as to what we projected for this year. On the Police Holiday Overtime Pay, we reduced that by \$1,200 for the two floating holidays for Columbus Day and President's Day. I left the Downtown Beautification at \$4,000; I forgot to change that. If we still want to move that down to \$2,000, we can move that down to \$2,000 and that leaves us with a deficit of \$33,018.66.

Vice Mayor Betts: Can I ask a question, please?

Mayor Newlands: Sure.

Vice Mayor Betts: Did you include the commercial rental license that we passed too.

Mayor Newlands: We added some money to that last time; we added \$8,000.

Vice Mayor Betts: To the business licenses?

Mayor Newlands: To the rental licenses. Under Code it says Business Licenses 4605 and then underneath that it says rental licenses; we don't have a category number for that yet.

Vice Mayor Betts: But it's included with commercial and rental?

Mayor Newlands: Actually I have the business licenses, we increased that by \$25. No, I did not add that in.

Vice Mayor Betts: Has it been added in?

Mayor Newlands: No I did not add that in.

Vice Mayor Betts: So wouldn't that be an increase in revenue?

Mayor Newlands: We increased both fees last time.

Robin Davis: But it's only for rentals.

Mayor Newlands: No, we did business licenses, as well; didn't we?

Robin Davis: There's a difference between business licenses and rental licenses.

Vice Mayor Betts: But we did a commercial rental license and a residential license.

Mayor Newlands: Yes and that's included in here.

Robin Davis: That was the \$8,000 increase in here.

Vice Mayor Betts: So it is included.

Mayor Newlands: It went from \$32,000 to \$40,000.

Vice Mayor Betts: Okay and one other thing. In the police, I see transfer tax collected. How can we get transfer tax from the police?

Mayor Newlands: That's because we use it for public safety. Transfer tax can be used for public safety; so that can be allocated against the Police Department's expenses.

Vice Mayor Betts: Okay.

Councilwoman Hudson: Cliff, the deal that you were talking about that was going to bring in transfer taxes, is that a new annexation to the Town or is that something that is going on inside the town limits?

Mayor Newlands: It's already inside of the town?

Councilwoman Hudson: Okay.

Vice Mayor Betts: I saw Independent Contributions that you said were from the Council. I wondered what that was for? I can't find it.

Mayor Newlands: The only contributions from Council is the Fire Department, that I know of and it was \$2,500.

Vice Mayor Betts: Oh, that was the Fire Department. I thought it said \$5,000.

Mayor Newlands: No, I think it's \$2,500 and that should be under either Admin or General.

Councilwoman Jones: Did you say we're down to \$33,000 and some change deficit?

Mayor Newlands: Yes Ma'am. We were down to \$57,000; I added the \$30,000 in as extra revenue for the sale and I moved some money from Water to Streets and Parks towards the salaries, because I wanted to move that up to what it was; so that gives you about \$33,000.

Councilwoman Jones: I don't see the changes we discussed.

Mayor Newlands: The Police Department ones.

Councilwoman Jones: Well and Admin, Councilwoman Hudson brought up some Admin cuts and I didn't see those in the final draft.

Mayor Newlands: I thought I got them all. You'll have to go over them with me then.

Councilwoman Jones: I have a few notes.

Councilwoman Hudson: One of them was Miscellaneous Operating Expenses, I believe.

Councilwoman Jones: I have Admin 5420 and 5460 reduced by \$1,000 each.

Mayor Newlands: The problem with the 5460 is we're out about \$7,000; actually, we can bring that down. I apologize. That can get down to \$1,000. We were at \$5,500, I think; because we will be closing the books tomorrow; so I was able to get a good read of everything today. I had that marked that we could actually take that down to \$5,500, if you wanted to.

Councilwoman Jones: So reduce it by \$1,500; do you want to do that?

Mayor Newlands: Yes, we can do that. That's a pretty static cost.

Councilwoman Hudson: And Town Beautification.

Mayor Newlands: I kind of want to leave that.

Vice Mayor Betts: I do too.

Mayor Newlands: I left it in there because I wanted to discuss it tonight.

Councilwoman Hudson: It's one thing to be generous; it's another thing to be generous if you don't need it. And I talked to Catherine and she said she talked to Jennifer and we're not putting the annuals in, as we had before. We've been doing more perennials and we did very well at the Garden Tour and I'm not opposed to being generous, but as Tom Wagner stood here and said, every dollar counts and if they don't need it, then they don't need it and to put \$2,000 here, if you want to be generous with that extra \$2,000; take a look at the Fire Department. Those people put their lives on the line; they bleed; they die; not necessarily in our Town, but to put just \$2,500 into the Fire Department, in my opinion, is way too low. Compare Milton to other towns; frequently I've heard us compared to other towns; while Rehoboth Beach is giving \$40,000 in equipment and money to their Fire Department; and for us to just give \$2,500 to the Fire Department is way, way too low. If you want to be generous with that money, then move it somewhere else or put \$1,000 into the Museum or \$1,000 into Cat Snippers; but when Catherine [Grieg] right to my face, as the Director of the Garden Club, to a Town Council person that it's not needed, then I think it would be very bad management to put it there.

Mayor Newlands: They're not going to be spending \$2,000 less; they're going to be spending \$2,000 out of their pocket; that's why I felt that we should keep it at that level.

Councilwoman Hudson: She says they don't need it.

Mayor Newlands: She sent us all an email, as well; but I think that's because they collected enough money elsewhere, so that's taking money out of their pocket to pay for this.

Councilwoman Hudson: They have a \$10,000 CD, they don't need it. They don't need it.

Mayor Newlands: What's the consensus of the Council?

Councilman Lester: I was at a meeting at the Farmer's Market and Catherine said that they were willing to go with the \$2,000; they don't need the money.

Mayor Newlands: Okay, that's fine. We'll go with the \$2,000. That brings us down below \$30,000?

Councilwoman Hudson: How did it go from \$33,000 to below \$30,000 if you're only taking out \$2,000? I'm sorry, okay, the \$5,500 over here. Thank you.

Mayor Newlands: Yes, we've got \$4,500 we're taking out.

Councilwoman Hudson: Okay, below \$30,000. \$28,500. Thank you very much.

Mayor Newlands: Now there are some other things that Mr. Abbott and I are going to work on, like the phone system. We're contemplating going to Comcast; we still use Verizon. I'm not

sure if we can switch over or not; because of the number of lines we have; but we're going to look at that. So there will be some further savings, if we can. And to be honest with you, if we had \$300,000 deficits in the past, we can deal with a \$28,000 deficit right now and just do this and look for other savings later on.

Councilwoman Hudson: I think we could continue to find that tonight. We have time. I think we can move from \$28,500.

Mayor Newlands: I have gone through this with the actuals, as of today and you're not going to find anything. I don't have them typed up here, because it takes too long to do that, but we just finished cutting our last checks today for the year and you're not going to find anything; without cutting things drastically and having them do without.

Councilwoman Hudson: I'm not saying drastic. \$28,500 is not drastic. But I think we can find that \$28,500.

Mayor Newlands: We've been at six meetings before doing this and we're repeating this over and over again, is really insane.

Councilwoman Hudson: There were more things we cut at the last meeting that are not in here.

Mayor Newlands: I know, we had an issue with the Police Department and it's still an issue, because we're not supposed to be touching their grants; that's why they're not in here.

Councilwoman Hudson: No. We didn't touch their grants; we touched the budget. We touched the budget and we say what is available for the budget. That's what the Charter authorizes us to do.

Councilwoman Jones: I would like to say that instead of the Council being pressed to reduce the budgets procedurally in a following year, I would like to make a recommendation that the department heads are actually charged with that responsibility; as I wrote in an email to you and to the rest of the Town Council; I think it gives a certain amount of ownership to the management of the Town when they are faced with the responsibility of cutting their budgets. Then there is no, what you call politicizing, the reduction; the townspeople have said you're going to get grant money and we want that grant money expense taken off of our tax dollar money. So you had told me that you would have some expenditures for me as far as car refurbishing and a possible new used car. Can you tell me where those funds are coming from?

Mayor Newlands: They would be coming from a grant.

Councilwoman Jones: And do you have those figures? Because I haven't seen them.

Mayor Newlands: They're right here. We can share over here. Chief, can you explain the numbers?

Chief Phillips: The first one would be the Milton Police Department upgrading police vehicle fleet. Three Milton vehicles upgrade with new motors, transmission, paint, touch up, etc. The price is approximately \$6,500 for each vehicle; price is subject to change, depending on how long it takes us to get it done. And as you can see, the prices are on there for the equipment and the total and if you total it up it comes to \$19,500; and then the rest of the money would be for touching up the Fords. We have a bad problem with the paint coming off. Of course, it never happens until after the Warranty is done; so now the Warranty is done and the paint is peeling off; so the rest of the money was going to be used for that. Also, by putting new motors and new transmissions in, that comes with a three year, 75,000 mile Warranty on it.

Councilwoman Jones: And that total is \$22,500? Right?

Chief Phillips: Yes Ma'am. The other option that I'm working on and I don't know which way it is going to go, the State's game is upgrading the fleet. Three Milton police cars would be upgraded by replacing three received from the State of Delaware Fleet Department at approximately \$6,000 apiece; price subject to change depending on the models of the cars.

With three cars, that's \$18,000; and the rest of the money, \$4,500 would be left over for

touching up the vehicles, striping them and getting them prepared.

Mayor Newlands: They already have cages in them and things like that.

Chief Phillips: Well we don't know that right away; they might, they may not. If not, we have some that can; but these vehicles would be newer than the ones that we're replacing or trying to. They're supposed to be 2007, 2008 vehicles with low miles on them.

Mayor Newlands: As opposed to a 1999 or a 2001?

Chief Phillips: Yes.

Councilwoman Jones: And on this document dated 9/29 Final Draft, there is a \$4,264 SALLIE balance, as I read this (on page 10 of 20).

Mayor Newlands: This is set up so that grant expenses are on top and...

Councilwoman Jones: Police grant revenue, which is at the bottom. There is a balance in SALLIE and I would certainly assume you will receive SALLIE monies again; though you may not know what they are yet.

Mayor Newlands: That's what we received from SALLIE; we've expended \$3,000 of that already.

Councilwoman Jones: I understand.

Mayor Newlands: On top is the expense.

Councilwoman Jones: Okay, but you haven't received this brand new budget year SALLIE money yet, nor EDIE money?

Mayor Newlands: Correct.

Councilwoman Jones: I'm missing where EDIE is listed.

Mayor Newlands: EDIE is listed in the budget, because EDIE offsets salaries directly.

Councilwoman Jones: It's a grant.

Mayor Newlands: Yes, I know; that's the only one that we put in there, because it's a direct offset of the salaries.

Councilwoman Jones: That's confusing. I didn't look in the line items.

Mayor Newlands: Everything else goes against, other than salary. EDIE always goes against salary; that's why I put it up in there. I had explained that once before. That's the only one that I put up in the budget, because it is a direct offset. I also put the Police pension in the budget, because that directly offsets the pension fund.

Councilwoman Jones: Can you tell me where I can find that here?

Mayor Newlands: Sure. There's very little revenue for police. It's on Page 6 the second item under Police 4540.

Councilwoman Jones: Page 6?

Mayor Newlands: Yes, that's Police Revenue.

Councilwoman Jones: On Page 10 of 20, under Police Grant Revenue, I have the advantage of a July 21, this looks like it could be an original, because it doesn't say what draft number it is; on July 21st, it looks like the donations received for National Night Out; if Mr. Lester would look at this because with accountant's eyes it's easier; \$1,120. As of September 29th, there's \$1,170 donations taken in; that's only a \$50 difference. Could you tell me what is done with the money that was collected for the food at the event? I didn't see where it was a Charitable Donation and it may just be that I'm not looking in the right place?

Chief Phillips: It was all turned into Town Hall to put back under that line item.

Councilwoman Jones: But there's only a \$50 difference.

Mayor Newlands: No, one is the adopted budget of what it should be, I think, and the other one is what we've actually brought in.

Councilwoman Jones: That's what I'm saying. As of September 29th, actual received is \$1,170; do I read this correctly on Page 10?

Mayor Newlands: That's what it should be, yes.

Councilwoman Jones: Okay, it was only \$50 less prior to National Night Out.

Mayor Newlands: No, that's what we anticipate bringing in. We anticipated bringing in \$1,120; you're reading a budget projection vs. an actual. Not a vs. b.

Councilwoman Jones: Okay.

Mayor Newlands: Or date a and date b.

Chief Phillips: Plus, after the National Night Out, we had bills to pay for that, where that money came.

Councilwoman Jones: And I do see that on the expenditure sheet, page 55 of this 81 page document. I just want to make sure that your money was credited to this account and I can't make the figures work.

Mayor Newlands: These are not balances, like a bank balance; this is the money that came in and the money that went out. There could have been a balance in there from last time; money that we didn't spend. This is not a running total. This is just what came in.

Chief Phillips: I can double check that tomorrow to make sure that the money went where it was supposed to; because actually once we get what we get, we type it up on letterhead and send it to Town Hall and they deposit it for us.

Councilwoman Jones: Yes. Because on this sheet right here, this shows your payments out for your expenses, up through August the 16th and I'm just having a hard time reading, again, this is under Revenue; where would someone like myself know that was money put back in there?

Mayor Newlands: You would have to get a revenue report. Actually on a Revenue & Expenditure Report it would be there. When we come out with a Revenue & Expenditure Report on a monthly basis, it will be in there. This is really a document that gets produced one a year; it's not to be used on a monthly basis; so in the Revenue & Expenditure Report, that figure will be there, ongoing balance for the year.

Councilwoman Jones: Okay. You may want to check in and make sure that this is correct.

Chief Phillips: Certainly.

Councilwoman Hudson: I would like to thank the Chief of Police for what he plans to do with the \$22,500. I think this is a considerable improvement over salary enhancement, to put it into vehicles that will help people all over the town, because they're used for patrolling the town. However, I believe, you said \$28,500; right now what I think you can do to balance this budget and find \$28,500, is to take it off the top of police expenses. I would like to read something. This is dated September 13, 2010 This is the Minutes from the Town Council Meeting and this is a quote from Councilwoman Deanna Duby: "I'm very concerned about our cutting as deeply as we have and frankly, not considering some cuts in other places, specifically, the Police Department. At least that 11th person, and I realize I don't have the votes to support this on the Council, I would cut one of the 10. But as I certainly said at the last time, at the last meeting, the people I'm hearing from about the budget say, why aren't we looking at the police force; why aren't we looking at the numbers and at the overtime?" I've got the 3rd, the 5th and the final right here in front of me and I see Admin Expenses from the 3rd to the 5th and the final, have gone down \$83,000; while from the 3rd, the 5th and to the final, the police have gone up by \$572. I think that, again, just like last year, we're cutting and cutting and cutting other departments; but we're not cutting as deeply as we can from the Police Department; with eleven officers and a population of 2,576; that's one officer for every 234 people. If you lived in the City of Dover, with their full complement of 93 officers and a population of about 34,500; that would be one officer for every 374 people.

Mayor Newlands: But we're not talking about cutting officers.

Councilwoman Hudson: In Milton, we have one for every 234 people. I believe that we could

cut that \$28,500 from the Police Department and let the Chief figure out where it's going to come from and balance the budget. Every department gets hit and we need to take it out somewhere. This was a concern last year and I think we can do it. I don't see any reason why we can't say, tighten your belt Police Department; Chief, figure out where it's going to come from. This is a continuing, ongoing concern and I would echo Councilwoman Duby's sentiments from last year to this year. To me it's a budget that's way too high, over 40% of our budget and frankly I think you could just take the \$28,500 off the top and that would balance our budget.

Mayor Newlands: What are you going to do about the fuel costs? You can't reduce that.

Councilwoman Hudson: Wherever the Chief wants to distribute the money; that way it would not be...

Mayor Newlands: You're going to have a real hard time reducing anything that's in here. You have his utilities for the buildings; you have telephone; you have some repair for the autos.

Councilwoman Hudson: Well the same thing for the other departments.

Mayor Newlands: We didn't cut any of those for the other departments; only when we negotiated new terms. We negotiated new contract for the telephone for the Police Department. We have them on Comcast. The only way we could do that, we did it. I would like to see where you can do that and reduce their fuel costs, when they have to drive around town.

Councilwoman Hudson: I think they could.

Mayor Newlands: You can't do that. There's lots of things you can't do. You can't do insurance; you can't do their salaries; you can't do any of these things.

Councilwoman Hudson: In 2008, Admin Expenses were \$984,000; we've got that whittled down to \$303,000.

Mayor Newlands: And a lot of that was staff reduction and reallocation...

Councilwoman Hudson: And police expenses in 2008 were \$946,000; it has only come down to \$798,000. That's way too high.

Mayor Newlands: You have to realize what we've done with Admin besides trimming staff; we've reallocated a lot of the things that Admin used to take under their wings, like insurance and benefits and things that are now reallocated to the other departments; so there's a lot of reallocation that was done; that wasn't done then. So if you take a look at the line items in 2008 for Admin, things were reallocated down; also you had insurances that were actually double or triple what the insurance is now in 2008; so you can't compare anything in 2008 to today. It's really unfair to do that.

Councilman Lester: Councilwoman Hudson, last time you said you were agreeing to keep the police force at its level and then let attrition take care of it. Are you now changing that and saying we should fire somebody?

Councilwoman Hudson: We can't change that, Sir. It was a vote taken by Council, 4 to 2, to cap the police at nine and through attrition and when two leave, not to hire new people. That was a vote taken and do a modification of the COPS Grant. So we cannot sit here and just say, let's do that. What I'm saying is those were positions and those were salaries; just like when we take a Water salary out, or we take the Town Manager's salary out. Those were positions and salaries and benefits and other things that go along with that. I'm saying there are expenses to do with whatever the Chief wants to find ways of doing it; that involve positions, which is apples and oranges. We're talking total expense here and not positions. We took a vote on that, 4 to 2.

Councilman Lester: We can still, as we go along, during the year; I think I said before, we're not running under Federal Government rules; we don't have to spend this money; so if this budget were adopted, as is, the budget could be scrutinized every month as we go along, for line items and we can control it as we go along.

Councilwoman Hudson: So when one officer leaves the force, then we come back to the budget and downsize the Police Department budget, because then we'll have fewer people on the staff. Is that what you're saying?

Councilman Lester: Right.

Mayor Newlands: If the COPS Grant people will let us do that.

Councilwoman Hudson: And Seth is working on the letter for that.

Mayor Newlands: He'll have that for Monday night.

Councilwoman Hudson: So theoretically and hopefully, because it's just a matter of time, it's not if, it's when we have people leave the staff because they always do in a small town and have in the past; hopefully that could take up the \$28,500; is that what you're saying?

Councilman Lester: I hope so. That and other expenses that we can scrutinize as we go along.

Councilwoman Hudson: Other expenses, as well.

Councilman Lester: We have to make a decision, do we really need... We had to repair a pump recently; you have to make a decision. Do I need to replace the pump or do we just let it run on and finally just die? You have to make those decisions, as we go along.

Councilwoman Hudson: Downsize the police force.

Councilman Lester: Some things happen and we cut back the Maintenance Department; do we tell them they can't buy any salt and then we finally get two pounds of salt and there's a storm. You're certainly going to hear from townspeople then. So I think we can be prudent as we go along. I'm positive that starting next week, we're going to have some pretty clean records going forward, so we'll be able to have, I think we're going to have bi-monthly meetings with the staff, and department heads can take a look at their budgets and look at what's been spent in real life, in real time.

Councilwoman Hudson: In the past our Code Enforcer has earned enough money to basically cover; not earned the money; but brought in enough permit fees and everything else to make a wash of his salary. They've balanced out.

Councilman Lester: That's a lot of money. I've never seen how that much money has come in.

Councilwoman Hudson: But actually, it has.

Mayor Newlands: In the budget, the Code Department is covered with all of _____.

Councilman Lester: We get reimbursed for certain expenditures.

Councilwoman Hudson: So would it be possible to downsize our Code Department?

Mayor Newlands: No, we've been through that already. We're not going in that direction again. We've been through that already and it will be analyzed by the Town Manager. We're not going down that path again. We've been at this seven meetings. We've done enough on this. We've gone from a \$400,000 and something deficit, down to \$28,000 and I think we're done for the night.

Councilwoman Jones: I disagree. First question is that we have two pieces of paper in front of us. One is to upgrade three vehicles and one is to replace three vehicles. Which is it?

Mayor Newlands: I think it depends on what the State is willing to give us.

Councilwoman Jones: And when will we know that; because then you're looking at revenue from three vehicles that have sat there for the summer. Is that correct?

Mayor Newlands: I'm not sure I'm following you.

Councilwoman Jones: If you don't upgrade and you replace, then you have three vehicles that have been in the parking lot for the summer; would they be sold?

Chief Phillips: Absolutely.

Councilwoman Jones: Okay, so you'll have revenue, but you haven't decided which way you'll go?

Chief Phillips: Don't know until I hear back from the State on what...

Mayor Newlands: We prefer the State route because we get newer cars. We're talking about 1999 and year 2000 model vehicles that are going to get renovated. We will get 2007 or 2008 from the State, so we prefer those because they're in a lot better shape than getting a renovated one; as far as body and chassis and things like that. We prefer that option.

Chief Phillips: I just wanted to have two options to go with; whatever happens.

Mayor Newlands: You're not going to get much revenue from those cars, though.

Councilwoman Jones: But you'll get some revenue from those cars.

Mayor Newlands: You'll get some.

Councilwoman Jones: You'll get some revenue from those cars.

Mayor Newlands: Yes.

Councilwoman Jones: You can sell them for scrap metal and get revenue for those cars.

Mayor Newlands: That's fine.

Councilman West: About \$900.

Councilwoman Jones: The reason I asked, was kind of as a follow up if you're getting State vehicles; whether they will be outfitted and whether or not you'll have to have the accessory costs.

Chief Phillips: Right now it's up in the air; it's possible, I'm 99% sure that one of them will be outfitted and the others we don't know until they tell me what they've got and I go look at it. But as far as the Crown Vics go, we have the equipment in this that we can move over to that one; as far as roll cages and computer stands and in-car cameras and all that, we can move everything over.

Councilwoman Jones: Okay.

Councilwoman Hudson: Can I ask one more thing? Emory, was your group still going to donate \$1,700 for Christmas lights, the Milton Community Foundation?

Councilman West: We are going to put an ad in the paper to solicit donations again. There is money left over from last year. I think it's over \$1,000; it's going to go towards these lights and we're going to run an ad in the paper to try to solicit more money so that next year we can put up more lights.

Mayor Newlands: Mr. West you have \$1,000?

Councilman West: I think it's around \$1,000.

Mayor Newlands: Don't put an ad in the paper. We have \$500 from Tidewater that we haven't spent; so we only need about \$200. You could probably do that at your next meeting.

Councilman West: We're going to put an ad in the paper to solicit more funds to help out with the expenses this year and to try to get more lights for next year. That's what we're shooting for.

Mayor Newlands: That's fine. Thanks.

Councilwoman Jones: I'm still on Page 3 of the final draft, under Police 5490 Uniforms. I know this is my first time at reading the Milton budget; but that is still an erroneous figure showing that only \$7,418.16 was spent out of \$8,000 budgeted. This document, whether those checks have been cut or not; that account is \$8,400 over. Over. My question is, when does it become the knowledge of Council that it has become so overspent? I mean, if these had been presented on a monthly basis and been able to track them, not only the Council, but the public might have been able to ask a question and my question to you is; what process will change so that an overage like this would be found well before the budget negotiation time.

Mayor Newlands: We've gone over this about four times. Council knows about this. This is the uniforms for the recruits.

Councilwoman Jones: It's not a question about what it is. It's a question about...

Mayor Newlands: But the Council has been told what it is, many, many times over the last few weeks.

Councilwoman Jones: That's not the question.

Councilwoman Hudson: The money was spent over what was proposed for the budget without approval from the Council. You said, your response was, well you'll get reports. So what we're saying is basically, when... We're sitting here. We've been hashing this out as you said for weeks and weeks and weeks and if two people sign checks that go even one cent over and above this, then this becomes a farce; because we don't know that people are signing checks over and above it and we haven't approved checks being signed over and above it; we don't find out until after the fact is done that money over and above what we're approving has been signed for and I don't agree that just because the bill hasn't been paid or a check hasn't been written, that it shouldn't count or show up on the budget. I would like to be able to quote you for my credit card company and when I get a bill and I should write in it, well the Mayor says if I don't write a check for this, that it shouldn't count or however you want to say it and see what their response is. Am I going to get overages and late fees or whatever; or are they just going to say oh well, if you haven't written a check, we'll just set it aside. It doesn't make sense. It's the same thing with the police overtime. You propose one thing for police overtime and then we find out that there is considerably more spent for overtime; adopted for the 2011 budget was \$30,000 for overtime and \$55,000 was actually spent.

Mayor Newlands: And that was to supplement the officers whose pay we didn't have to pay. That's why.

Councilwoman Hudson: I'm not saying what it's for.

Mayor Newlands: Could we stay on one topic?

Councilwoman Hudson: What I'm saying is on the topic is that anything that goes over what is adopted, should be brought to the Council prior to it's being spent for Council approval. I do not agree with council people spending money over and above the adopted budget or employees spending money over and above the adopted budget; and then coming back later and asking for those overages just to be rubber stamped and it just makes a total farce out of this whole thing. I would like to go on record as saying that in future, if there are any expenses that some department wants to spend, they should be able to anticipate, unless there's an extreme emergency; and say come to the Council Meeting and say I anticipate I'm going to need more money for overtime; I anticipate I'm going to need more money for uniforms. When you hire three people in April, you should be able to anticipate that you're going to need more money for their uniforms and their meals and their ammunition; that's year's of experience should allow you to look ahead and see those things. I think it is just the wrong thing to do to sign checks on money over and above what is adopted when it has not been prior approved by the Council. Thank you.

Councilwoman Jones: The question was, will there be something in this following budget year to track it a little more closely so that an overage like this would be caught well before the presentation of this audit trail?

Mayor Newlands: Yes, the reports that come out will be... Since we didn't have accurate reports because of some of the accounting problems, you will now starting on a monthly basis get a very accurate reports and you will not have that expense that we had this year; you won't have that next year.

Councilwoman Jones: And that's actually one of the recommendations I would like to say, since we have spent \$16,400, that's 100+% over what was budgeted; even with the new recruits; that's one of the line items I would like to see cut.

Mayor Newlands: I don't know how far down we can go on that.

Councilwoman Jones: I would like to go to \$4,500.

Mayor Newlands: Well that's an arbitrary number. We have to live within replacing uniforms

and things for at least eight guys; we have three guys that have full new uniform sets; so we're good to go.

Chief Phillips: And the other guys' uniforms are at least 4 or 5 years old and they start wearing on the collar and start wearing on the _____; they also get ripped when you arrest somebody and trying to get restitution back is almost impossible nowadays.

Councilwoman Jones: And I understand that, but we have...

Chief Phillips: And when someone turns a uniform in, if they have something damaged to it; we make them turn it in so we have the damaged one, so we see that before we order anything. We don't just hand out uniforms to them.

Councilwoman Jones: And we've spent approximately \$9,000 on new recruits uniforms and body armor; that still leaves this past year \$7,000 that we have used; almost \$8,000; to equip the other officers who were not the new recruits.

Chief Phillips: That's correct, because you figure they wear those uniforms every day that they work and after a while they wear out. They're expensive uniforms, but they're only going to last so long getting in and out of a car; chasing people going through the woods; getting it snagged; fighting somebody and getting blood on it; everything from flares burning your pants to burning your shoes.

Councilwoman Jones: How many uniforms do the Milton Police Officers have?

Chief Phillips: They have five.

Councilwoman Jones: Five different Class A's; BDU's?

Chief Phillips: Five long sleeve and five short sleeve and pants.

Councilwoman Jones: No I don't mean number; I mean types of uniforms.

Chief Phillips: We basically have our long sleeve, short sleeve...

Councilwoman Jones: That's a seasonal thing, right?

Chief Phillips: And the gear that we use for the raise???? was not purchased by the town, it was purchased by grants. All that.

Councilwoman Jones: Then you also have BDU's.

Chief Phillips: We use the BDU's at the firing range or for doing a dog and pony show at the school or Nite Out, we'll wear polo shirts that we bought with grants; but the BDU pants are issued, yes.

Councilwoman Jones: Okay. Arbitrary or not, I would like to recommend we reduce the line item on Police Uniforms.

Mayor Newlands: The way we come up with the numbers is basically experience from what we've been using in the past. That's why we're trying to call this a maintenance budget; it's just the maintaining of the department.

Councilwoman Hudson: I agree we should do whatever we can to reduce the total police expenses.

Councilwoman Jones: And I also made the recommendation last Thursday night, that the Training budget be reduced.

Mayor Newlands: We could have issues with that with COPT.

Councilwoman Jones: Tell me what issues you'll have with COPT by reducing the training budget.

Chief Phillips: Well first of all, the amount that you come up with, only giving us \$2,500 this year is barely enough to cover ammo and the targets; so there's one issue. The other issue is that we have an instructor that has to go to class and we also have to buy different things for training like paying \$30 for a classroom; \$30 a class here and materials and stuff for it.

Mayor Newlands: And we pay for the range out of this also?

Chief Phillips: And we pay for the range.

Mayor Newlands: The cost of the range is \$1,500 a month.

Chief Phillips: If you stop by the station, I'll be glad to show you what we've spent it on over the last year or two. I have no problem with that at all. That's for any of you.

Councilwoman Jones: I certainly do understand the cost of ammo; I understand the certification and the need for it; I put some figures together out of the Sussex... Please forgive me for referring to Rehoboth Beach, it's what I know. Out of the Sussex County grant last year, we used \$15,430 for training. That was we became new members of the Bridgeville Rifle Range; that included membership, initial range fee, membership because it's part of it for the National Rifle Association, \$3,200 paid out to Bridgeville, \$3,867 for training ammo came out of that grant and another \$8,363 for semi-automatic 16" barrels, we went to rifles. But, in order to reduce the cost of our training line item, we used our grant money. Now, I understand tonight the presentation is for the refurbishing or purchasing of new vehicles. It's a delicate balance.

Mayor Newlands: It's a delicate balance if you lost a chance to somebody.

Councilwoman Jones: And you're sensationalizing something that I think is not fair. I think you're sensationalizing something and you're talking to somebody who does understand a police budget and what it costs to do training. We do, and I pride myself, I said before, we do as much training, free training in the fall is so abundant, we can't even schedule our people to go because we have so many people in training. It's free; it's offered to a number of agencies in the State of Delaware. Delaware State Police training is free. There are many classes that have to be paid for, I cannot argue that.

Mayor Newlands: But the range alone, we're spending \$1,500 alone for the range; we're spending \$2,500 a year for ammo.

Chief Phillips: Another thing you have to remember, too, at the Academy if you've been a cop for five years, after awhile when you back to the Academy for these classes, it's the same class regurgitated, regurgitated, regurgitated, so you're really not getting anything out of it and that's why we try to have classes here; we try to go to different classes in different Police Departments, from everything from drug interdiction to stalking cases and things like that; and the classes do cost money sometimes.

Mayor Newlands: Plus Captain Cornwell has to get recertified as a firearms instructor.

Councilwoman Jones: I think that's probably a nominal fee. In relation to everything, the recertification I think is a nominal fee through the State. I just think \$10,500; again, this is another plea on my behalf to say if you're putting \$10,500 into training, it would be so much easier if you would break it down to tell me what that means?

Chief Phillips: How much does Rehoboth Beach spend on cartridges for taser?

Councilwoman Jones: I don't have my budget in front of me.

Chief Phillips: That's pretty expensive, because they use like \$40 a taser and we have to be trained on it at least once a year and we have to shoot two cartridges.

Councilwoman Jones: It is. It most certainly is.

Chief Phillips: Also, we CPR that costs us I think it's \$15 or \$20 a person and we have to pay the person for the class and the books. Right now, I'm trying to remember other things. But there are other things that we have to take that cost us money and it all falls under training.

Councilwoman Jones: I understand.

Chief Phillips: Without that, we will not make COPT Training.

Councilwoman Jones: You have less officers than Rehoboth Beach and you spend more on your training budget, than we do. I'm just comparing apples to apples. I'm talking numbers of officers for per capita training costs. I find these training costs are exorbitant.

Mayor Newlands: You haven't joined Bridgeville yet, have you? Is that included in this?

Councilwoman Jones: Yes, Sir, we have. I just told you that we spent \$3,200 to join Bridgeville

last year and in order to get back off of there again, we will most likely use what we hope to get from Sussex County again for training. It's tough. I have a very frugal police chief as a boss; he's very frugal and I have so say, admittedly, I take after him.

Chief Phillips: It's just kind of hard, Ma'am, to compare us to Rehoboth Beach when they have such a bigger budget and they have parking meters and they have a lot more money than we have; to try and compare us to that. It just doesn't seem to be fair, when we have training issues that we do different policing. It's different policing between the beach and here. You may not believe that, but there is. We've handled a lot more serious cases than they've handled. We've had robberies, we've had rapes, we've had an attempted murder case that we've handled. We actually do a lot more policing than the beach does, to be honest with you.

Councilwoman Hudson: I'm glad to hear you finally say that we do not have the revenue that the other towns have. That's the problem with our town.

Chief Phillips: No, but we do have a lot more crime. Let me show you what Fenwick Island does.

Councilwoman Jones: If you're using this as a logical denominator here folks, Rehoboth Beach makes more money and spends less. Are you hearing me?

Councilwoman Hudson: Yes.

Councilwoman Jones: We take in more revenue and spend less, so we're not arguing the same argument here.

Councilwoman Hudson: And if you want to look at the figures, again, the police reports you have turned in month after month; year after year; have shown that criminal activity has gone down. Recently in the News Journal, the State of Delaware criminal activity and also violent criminal activity has gone down. Also in the News Journal, federal, on the federal level, across the whole United States, criminal activity has gone down. So you can pick any one or few towns you want, and compare us to that. I'm comparing Milton to Milton and our problems; what we have; what our revenue is, what our crime rate is. I was told by a magistrate that in this past year, there have only been four drug arrests and two of those were for one person. So our crime rate has gone down.

Chief Phillips: Where is this at, Ma'am? Where is this at, Ma'am?

Councilwoman Hudson: According to the reports our crime rate has gone down according to the reports that you have turned in.

Chief Phillips: Ma'am, where did you get your drug information from and which court was that?

Councilwoman Hudson: That was from Magistrate John R. Hudson; so he told me.

Chief Phillips: That is not the only court we use. We use Court 6, we use Court 3 from time to time. Also, not putting the News Journal, but they're not always correct. And on top of that, we also applied for that federal COPS grant; there were probably about 30 other Police Departments that applied and out of that, I think only eight of us received that and how they do that is, they go by the federal stats, the State of Delaware stats from burglaries, robberies, rapes, and all the complaints you have, and then they picked eight of us and gave us the money. They didn't give it to us because they liked us, it was our turn in the barrel; they gave it to us because our stats were so high they believed that we needed extra people; that's the only reason we received that money. For no other reason did we receive that and you're trying to downplay it, no disrespect; but you're trying to downplay the crime that we have going on and your sadly mistaken. I'm sorry.

Councilwoman Hudson: Georgetown used their COPS grant, when they laid off an officer to rehire him.

Chief Phillips: And we're comparing ourselves to Georgetown because, they have three or four or almost five men working a shift and it's a totally different atmosphere than there is here.

Councilwoman Hudson: And again, if you live in Dover, it's one officer for every 374 and if you live in Milton, it's one officer for every 234.

Mayor Newlands: You can't make that comparison. It's an unfair comparison.

Councilwoman Hudson: I can't compare town to town, but you can compare town to town.

Mayor Newlands: Not to Dover. Come on.

Councilwoman Hudson: I think our police budget; getting back to money; I think our police budget is way too high.

Chief Phillips: I gave you that piece of paper after you brought up about comparing towns.

Mayor Newlands: [Gaveling] Come on guys.

Chief Phillips: I'm showing you Fenwick Island has eight officers and you see where their stats are.

Councilwoman Jones: Point. A more detailed budget would eliminate some of this. If you're asking for \$10,500, I would like to know what it's for. I have offered my recommendation using a very simple elementary budget, which I will gladly now share with the new Town Manager. It not only makes it clear to the Town Manager as he reviews it with the Mayor and Council, but it is for your benefit to track that budget through the year; see what you have spent; see if your costs are in line; and see what you have left. It is a working document. It works for everybody. It works for Council. It works for you. The Captain stopped me outside in September and said to me I hope you don't push that budget, because I don't have the time to do it. I was surprised by that comment. I invented my budget. It can't be that hard. It's easy. I can send you a format.

Mayor Newlands: We're talking about next year. Let's get through this year first.

Councilwoman Jones: We are starting a new budget on Saturday.

Mayor Newlands: I understand that.

Councilwoman Jones: So it is not too soon to make a plea again to adopt something so that maybe we don't have seven workshops, where many of us have been up here; some of us have been vilified; some of us have been praised for what we're doing, because we're listening to the citizens. The citizens are calling for these cuts. That's all I can tell you.

Mayor Newlands: I understand that, but you're talking about a procedure for next year, right?

Councilwoman Jones: And it's not too soon to start, because actually...

Mayor Newlands: I understand that. We can talk about that after this meeting. Let's get through this meeting first. You're talking about something that's for next year; after this meeting. Let's not waste people's time tonight, talking about...

Councilwoman Jones: I don't think I'm wasting time and without figures ahead of me I believe \$10,500 is high on a training side for a second year. I don't have any figures in front of me, Chief. I don't have anything to go on.

Councilwoman Hudson: The other thing, Chief, is time and again you've said come down to he Police Department, I'll show you the figures. Well, several times I have asked you to give us information about how the grant money has being spent and a monthly report on how the grant money is being spent. And, that might have helped if we had gotten that.

Chief Phillips: Well if you come down to the station, I will be glad to show it to you.

Councilwoman Hudson: See that's the thing...

Chief Phillips: Here's the thing, you don't understand, no disrespect...

Mayor Newlands: [Gaveling] Come on guys.

Councilwoman Hudson: I'm not coming down to the police station to get some secret information.

Chief Phillips: If you hear me out a minute, there's a thing called Homeland Security and some grants we are not allowed to discuss what we did with them, under certain circumstances;

whether it be night goggles; whether it be some sort of something for something; there's different raid gear and stuff that we cannot give out and FOIA requests do not cover that. So there are certain things I can't share with the public and won't share with the public, because I'm not going to get myself jammed up and lose grant money; but I will be glad to have you come to the station personally and sit down and I will show you what we have. I have offered that to you before.

Councilwoman Hudson: That's not an excuse to blanket...

Mayor Newlands: Hold on, hold on, hold on. We're not talking about grants right now. We're trying to talk about a line item in the budget; we're not talking about grants right now; so let's stay on topic, please.

Councilwoman Jones: I would like to understand one more thing about process. Procurement. Can you tell me how an idea to buy something on your list, then becomes a reality. For example, I need ammo and I need it's on my list and I make the contact to the vendor; I find out the pricing; I make up what is called a Requisition in the city where I work; that is signed by my department head; it is then taken to the Town Manager. The Town Manager then approves or not; it comes back to me in the form of a Purchase Order, with a guarantee of payment. Can you tell me what the process is in the Town of Milton for spending money; because time and time again I see on the expenditures sheet, where it is simply reimbursement from a credit card and that's... I guess I would say I don't find that responsible. But can you tell me who's in charge of ultimately saying yes we're spending this money in departments; Water Departments, Police Departments, Streets or Administration? How does that work?

Mayor Newlands: Up to a certain dollar amount, they can spend up to \$500 on their own and they're doing it out of maintenance items; over \$500 we do a Purchase Order and they may do that on a credit card or they may not; depending on how we're doing it.

Councilwoman Jones: But if you do it on a credit card, it means it's already been spent.

Mayor Newlands: Right, but I know about it; I'm aware of what they're doing.

Councilwoman Jones: That's not what you just said. You said \$500 and below, they don't need a purchase order.

Mayor Newlands: Right.

Councilwoman Jones: So if they want to spend \$1,200, they don't need a purchase order.

Mayor Newlands: They do need a purchase order. It depends on how they're ordering things.

Councilwoman Jones: Is there any reason why Milton does it any differently than anybody else and doesn't use a purchase order; where they're tracked?

Mayor Newlands: For the most part, we do; but I'm aware of what he's spending.

Councilwoman Jones: I disagree.

Mayor Newlands: So if that's what you're trying to get.

Councilwoman Jones: It's not awareness, it's procedure. It's approval. It's the guarantee. We don't get so spend anything without approval, unless it's petty cash and that still comes in front of the Chief of Police first, to a certain dollar amount; \$50 for fuel for a vehicle going to training; that had to be turned into a purchase order, rather than draw it out of petty cash. It's a trackable item. It makes somebody responsible. The department head, but more importantly, it makes the Town Manager ultimately responsible for that expense. Are we going to continue on at \$500 you don't need any purchase order; just spend it and get reimbursed for it?

Mayor Newlands: It's not spend it and get reimbursed. They're buying things that they need to operate their departments.

Councilwoman Hudson: With a purchase order.

Mayor Newlands: If they're small items, yes. Otherwise, we get bogged down in paperwork and we don't get to do what these guys have to do to run their departments. When they have to

go out and buy salt; actually when they go out and buy salt, it will be \$700 to buy salt; so we'll get a purchase order and cut a check for that.

Councilwoman Jones: And otherwise, do you just get an invoice from somebody like Angerstein's for \$499 and they bring it back and then they're paid? What happens?

Mayor Newlands: No, we'll write a purchase order for \$700 for salt and then we'll cut a check to Angerstein's.

Councilwoman Jones: No, if you have a \$490 item; you don't need a purchase order for that; how is it purchased?

Mayor Newlands: We would probably get an invoice from Angerstein's.

Councilwoman Jones: Okay, an invoice.

Mayor Newlands: Yes.

Councilwoman Jones: Okay and there are credit cards in the town and are these distributed to all department heads in town or how is that used?

Mayor Newlands: We have three credit cards in town. Actually four. We're still not getting the budget done.

Councilwoman Jones: But I'm getting questions answered. Thank you.

Mayor Newlands: I know and you're wasting my time. I want to go home.

Councilwoman Jones: I'm sorry to hear that's wasting your time.

Mayor Newlands: We can do that at some other time.

Councilwoman Jones: This is budget time; I see no better time to do it.

Mayor Newlands: I know. I want to get the budget done, then we can discuss this at some other time.

Vice Mayor Betts: Could there be a compromise between the police in cutting the expense of the training to half and then just pay that out of the \$22,500? Could you do that and then whatever you wanted from the cars, split it and then it would save \$5,000 on the budget? Would that be possible?

Chief Phillips: I'm not sure I follow your question.

Vice Mayor Betts: All right, we were talking about the training, \$10,500. Could you take \$5,250 from your grant, to cut the budget and then spend the rest on the cars? I mean, I'm just asking.

Chief Phillips: No. I would rather take the money that we spend and put back in the budget; I'll deal with the cars, if that's what happens; sell the old cars.

Vice Mayor Betts: And what do you think that would be?

Chief Phillips: I have no idea right now.

Mayor Newlands: What's the age of those cars?

Chief Phillips: We might be able to get \$1,000 apiece; \$500 a piece; we would be lucky.

Mayor Newlands: You're not going to get \$1,000 apiece.

Councilwoman Jones: Is it only me who finds it curious that the exact cost of either upgrading is replacing, is the exact amount of this county grant? Exactly to the dollar. There is no denying this.

Vice Mayor Betts: I just thought maybe you could compromise and take \$5,250 out of your grant to help the training.

Chief Phillips: No, I need that money for those vehicles right at this time.

Councilwoman Jones: And you still do have a SALLIE balance and you will still have SALLIE money. Is that a fair statement?

Chief Phillips: Well SALLIE could dry up any time and so could the EDIE; we don't know when it's coming or going, and that money is used for drug investigations and purchasing.

Councilwoman Jones: Well EDIE is, but SALLIE doesn't have to be exclusively for

equipment...

Chief Phillips: It could be used for overtime, it could be used for equipment, drug testing kits. There's a lot of things we buy that the town doesn't even know we purchase and I'll be glad to show you if you come by the station and we save the town a lot of money by purchasing different things. We've had bar lights go up in cars and instead of coming to the Council for a \$2,000 bar light, we've actually gone and gotten grants and paid for them, so I mean we do our share of saving money for the town the best we can.

Vice Mayor Betts: Chief, when did you decide that you needed the cars?

Chief Phillips: I'm not sure. I don't know how to answer that.

Vice Mayor Betts: You didn't put it in the budget; you found out later after you made the budget up?

Chief Phillips: Why would I put that in the budget when I knew I could use the grant to take care of it?

Vice Mayor Betts: I'm just asking. Is that the reason you didn't put it in the budget?

Chief Phillips: I'm not sure I follow you.

Mayor Newlands: He knows he's getting this grant money; it's told to us in July.

Vice Mayor Betts: That's why I'm asking.

Mayor Newlands: July 1st we know about it.

Vice Mayor Betts: Is that why you wanted to keep the \$22,500?

Chief Phillips: Yes, Ma'am.

Vice Mayor Betts: And that's why you didn't include it in the budget, because you thought you were going to get the \$22,500 that would take care of the cars.

Chief Phillips: Yes, Ma'am.

Councilwoman Jones: I guess to move along, I have to make it in a motion. I make a motion...

Mayor Newlands: Hold it, hold it, hold it. We have to include a couple of things and I have them on this piece of paper. If you're going to make a motion about the budget, we need to include the floating holiday and Town Clerk's job. Just let me get you the couple of things we need to include in the motion.

Councilwoman Jones: Okay, because I have one other thing up I would like to bring up on the budget, as a cut.

Mayor Newlands: You want to convert two floating holidays, Columbus Day and President's Day into a floating holiday. Correct? We talked about that.

Councilwoman Jones: That would be my recommendation.

Mayor Newlands: Right, so that has to be part of your motion and also not to hire the Town Clerk position; that has to be part of your motion. Then whatever you want to say about the budget, is fine.

Councilwoman Jones: I think we go line item, but that's okay. I would also like to recommend as we're looking at small items, on Page 4 of 20, under Code 5490. Are uniforms for the Code Department necessary, as opposed to perhaps having a name tag for the folks who go out and visit sites?

Mayor Newlands: I don't think we're going to need anything next year, do we? You just purchased some now for the Code Enforcer; what line item are you on?

Councilwoman Jones: I'm on 5490 Code on Page 4.

Mayor Newlands: The \$400; we could do without that. We just purchased some now. They do have ID cards. I think you have to say that you want to...

Councilwoman Jones: I'm just trying to get my figures together, since the cuts were not applied to the budget; I'm now trying to do my math.

Mayor Newlands: No, no, no, \$28,118. The deficit is \$28,118.

Councilwoman Jones: That's without the cuts that we had discussed last Thursday.

Mayor Newlands: Right.

Councilwoman Jones: Okay, just want to be clear. Am I first?

Mayor Newlands: If you're making a motion, yes.

Councilwoman Jones: I would like to make a motion that we convert two holidays, Columbus Day and President's Day, floating personal days for the persons in town. In that motion I would like to include that we eliminate the salary of the Town Clerk and benefits. I would like to recommend that under the Police item 5180 we reduce the line item to \$5,500.

Councilwoman Hudson: Don't forget Admin.

Councilwoman Jones: I'm not making all the motions. I recommend that under line item 5490 Uniforms, Police, I said that went to \$5,500, reduced by \$2,000; is that correct? I make a motion that under training 5180 we reduce that to \$5,500.

Mayor Newlands: You did that already.

Councilwoman Jones: Okay and it's the same number for uniforms? And under Supplies, Police, 5280, we reduced the Supplies by \$2,500.

Mayor Newlands: That's a lot; that's going to hurt them.

Councilwoman Jones: We reduced the Supplies by \$2,000.

Mayor Newlands: And what about the other cuts the downtown beautification, we have to go through them all.

Councilwoman Jones: Do I have to make them all?

Mayor Newlands: I think so. You had a \$1,500 cut in building maintenance in Admin; \$2,000 cut in downtown beautification; you had \$1,000 cut in Admin for Miscellaneous Operating Expenses; \$400 for Code uniforms. You already did that.

Councilwoman Jones: The Admin was General Expenses?

Mayor Newlands: Miscellaneous Operating Expenses, \$2,000 Miscellaneous Operating Expenses.

Councilwoman Jones: That's my part.

Mayor Newlands: Do you want to list them again? The motion is coming from you, I'm just telling you what you have to have in there.

Councilwoman Jones: Did you write them all down in order and would you like to list them again?

Mayor Newlands: Yes. Sure. It's the Building Section, Maintenance to the building in Admin was \$1,500; Miscellaneous Operating Expenses in Admin was \$1,000; Downtown Beautification in Admin was \$2,000; Code Uniforms was \$400; Police Training was \$5,000; Police Uniforms was \$2,000. Which one did I miss?

Councilwoman Jones: Police Uniforms...

Mayor Newlands: These were all reductions.

Councilwoman Jones: Oh no, I took the Police Uniforms down to \$5,500.

Mayor Newlands: Reduced \$2,000. I'm doing the reductions.

Councilwoman Jones: That would only reduce it to \$8,500.

Mayor Newlands: Then I wrote it down wrong, sorry. Hold on.

Councilwoman Jones: Police Uniforms reduced by \$2,000.

Mayor Newlands: That's what I said.

Councilwoman Jones: Okay.

Mayor Newlands: That's what I said.

Councilwoman Jones: Police Training reduced by \$5,000.

Mayor Newlands: Right, that's what I have \$5,000 from Police Training and \$2,000 from Police Uniforms.

Councilwoman Jones: Okay.

Chief Phillips: Can I say something, I'm a little confused here. Rehoboth Beach spends almost \$18,000 on uniforms and they have double the men we have, so how do you figure our numbers are out of line on that one?

Councilwoman Jones: Well I think in the case of the uniforms, perhaps the budget you're looking at is the one that was prepared this past year, where the request was written in actually two separate line items. One for the actual expense of the department and the second was for the possibility of taking three recruits into the Academy.

Chief Phillips: Are you talking about for us?

Councilwoman Jones: No for Rehoboth Beach.

Chief Phillips: Oh, because last time you said that one line item was for summer officers.

Councilwoman Jones: That's a completely different account and that actually doesn't have a great deal of money in it. The full time does have the greater amount of money in it; but if you'll look at that and I understand Allen did not bring that with him tonight; but our budget was prepared this year as a split request for both training and uniforms, because those were the anticipated categories where it would have boosted the cost considerably to put three people in the Academy.

Chief Phillips: Plus you guys also have numerous uniforms downstairs that you save, because you told me that, that you recycle quite a bit too.

Councilwoman Jones: We do. We issue them out to the summer officers.

Chief Phillips: Another issue I have is Supplies. Our AD's are going to need new pads and batteries and that's going to cost us some money too. I just thought of that. If and when we run out of money, I'll just come back to the Council and ask for things that we can't fix?

Councilwoman Jones: Well it is my hope that some of this money will be offset this year by the balance found in the grants by anticipated new grant money outside of EDIE money and by the anticipated sale of three police vehicles, even for a small amount of money, should go back into your accounts for use.

Chief Phillips: I agree.

Councilwoman Jones: Okay.

Mayor Newlands: I forgot Supplies, the \$2,000 for Supplies. That was the other money. Is that reducing it to \$2,000 or by \$2,000?

Councilwoman Jones: Where are we? You said Admin?

Mayor Newlands: No, Police. Supplies. Are you reducing it to \$2,000 or by \$2,000?

Councilwoman Jones: The police are asking for \$5,000. I don't remember making that recommendation. I apologize.

Mayor Newlands: I just wanted to know if you wanted it to \$2,000 or by \$2,000?

Councilwoman Jones: Reduce it by \$2,000.

Mayor Newlands: Okay, so the reductions are Building Maintenance in Admin \$1,500; Miscellaneous Operating Expenses in Admin \$1,000; Downtown Beautification in Admin was \$2,000; Code Uniforms was \$400; Police Training was \$500; Police Uniforms was \$2,000 and \$2,000 for Police Supplies. Those are the reductions.

Councilwoman Jones: I believe you just said \$500 for Police Training, it's \$5,000.

Mayor Newlands: \$5,000, sorry.

Councilwoman Jones: That's another almost \$17,000, is that correct? Actually, it's more.

Mayor Newlands: Now it's \$13,900. It's \$13,900.

Councilwoman Jones: These figures only equal \$13,900, or is that all we have left?

Mayor Newlands: That's what it equals.

Robin Davis: You have \$19,000 and change left.

Councilwoman Hudson: We had it down to \$28,000; oh, all right, some of those we had already taken out. Thank you.

Mayor Newlands: That's correct.

Robin Davis: You had it to \$28,000 and then there were three additional police items and the one from code, which is \$9,000.

Councilwoman Hudson: Oh, all right.

Councilwoman Jones: Do you mind if we repeat these one more time, because my figures aren't coming up. They're coming up a little higher.

Mayor Newlands: These are the reductions: Building Section, Maintenance to the building in Admin was \$1,500; Miscellaneous Operating Expenses in Admin was \$1,000; Downtown Beautification in Admin was \$2,000; Code Uniforms was \$400; Police Training was \$5,000; Police Uniforms was \$2,000; Police Supplies \$2,000.

Councilwoman Jones: No Police Uniforms are not \$2,000.

Mayor Newlands: The reduction is \$2,000.

Councilwoman Jones: No, no, it's not. It's \$5,000.

Vice Mayor Betts: It's \$2,000.

Mayor Newlands: Everybody is saying \$2,000.

Councilwoman Jones: Supplies for Police went down \$2,000.

Councilwoman Hudson: I'm just asking what it is you want.

Mayor Newlands: You wanted the Uniforms to be \$5,500, you said. That would be a reduction of \$2,000.

Councilman Lester: That's what I heard.

Mayor Newlands: That's what everybody is hearing. You wanted it to be \$5,500.

Councilwoman Jones: Okay.

Councilwoman Hudson: Is that what you want?

Councilwoman Jones: I have the wrong figure plugged in in the wrong line. My apologies.

Mayor Newlands: So we're at \$13,900 as the reduction. Are you making the motion?

Councilwoman Jones: I thought I did make the motion.

Mayor Newlands: You have to list it.

Councilwoman Jones: I thought I made that motion this whole time. I thought somebody wasn't just going to second it.

Mayor Newlands: It's got to be read into...

Councilwoman Jones: I would like to make a motion that all those figures be included in the motion, and the two holidays converted to personal days and elimination of the Town Clerk's salary and benefits.

Councilman Lester: I'll second it.

Mayor Newlands: We have a motion and a second to approve two holidays becoming floating holidays, Columbus Day and President's Day and to remove the Town Clerk position and benefits and a number of line item cuts to the budget. Let's do a roll call:

Councilman Lester

Yes

Councilwoman Jones

Yes

Councilwoman Hudson

I still think the police expenses can be reduced more than they have been, in addition to us having our vote to cap the police at nine through attrition, so I'm voting No.

Councilwoman Betts

Yes

Mayor Newlands

Yes

Mayor Newlands: Motion carries.

8. A well for a geothermal system for an open loop system for 305 Federal Street
Mayor Newlands: Next Monday we'll discuss having the wells for Geothermal Systems be approved by the Project Coordinator because the Town Code only says that the Town has to approve it, not the Town Council; so these don't need to come to Town Council. They'll be in his report.

Councilman Lester: I move to approve the private well for the open loop geothermal system at 305 Federal Street.

Councilwoman Hudson: Second.

Mayor Newlands: We have a motion and a second to approve the private well for an open loop geothermal system at 305 Federal Street. All in favor say aye. Opposed. Motion carried.

9. Adjournment

Councilwoman Hudson: I make a motion to adjourn at 7:54 p.m.

Councilwoman Betts: Second.

Mayor Newlands: We have a motion and a second to adjourn. All in favor say aye. Opposed. Motion carried. Thank you all.

Mayor Newlands: Councilwoman Hudson, do you want to make a motion for us to go back into session?

Councilwoman Hudson: I make a motion that we come back into session.

Councilman Lester: Second.

Mayor Newlands: We have a motion and a second to come back into session. All in favor say aye. Opposed. Motion is carried. We're back on line 7:55 p.m. We need approval of the fiscal year 2012 budget. I would just say, based on the last motion with the cuts, that we would like to adopt the budget.

Councilman Lester: I make a motion that we approve the fiscal year 2012 budget, including all the prior motion cuts.

Councilwoman Jones: I second.

Mayor Newlands: We have a motion and a second to approve the 2012 budget. Roll call vote:

Councilman Lester

Yes

Councilwoman Jones

Yes

Councilwoman Hudson

Again, I believe the total police expenses can be reduced, so therefore I vote No.

Vice Mayor Betts

Yes

Mayor Newlands

Yes

Mayor Newlands: Motion is carried.

9. Adjournment

Councilwoman Jones: I make a motion to adjourn at 7:56 p.m.

Councilwoman Hudson: Second.

Mayor Newlands: We have a motion and a second to adjourn. All in favor say aye. Opposed. Motion carried. Thank you all.

